weavers of Benaras and the adjoining areas are compelled to give their traditional work;

(b) if so, the details thereof alongwith the reasons therefor; and

(c) the steps taken by the Government to encourage the weavers to retain their profession to maintain the quality of traditional styles and also to innovate new designs?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) The traditional styles of weaving & designs are not disappearing or deteriorating. At present, as per market demand, the weavers of Varanasi and the adjoining areas continue to produce fabrics of traditional styles and designs.

(b) Does not arise.

(c) Various schemes/programmes are implemented to encourage the weavers to retain their profession, to maintain the quality of traditional styles and also to innovate new designs. These inter-alia are;

(i) Project Package Scheme.

(ii) Engagement of Freelance Designers for design development

(iii) Decentralised Training Scheme for weavers

(iv) Setting up of HDCs/QDUs

Excise Duty Exemption to 100% Wood Free Particle Fibre Board

569. SHRI QAMARUL ISLAM: Will the Minister of FINANCE be pleased to state:

(a) whether Government have collected data in respect of 100% wood free particle fibre board industry to consider total excise duty exemption to this industry to encourage its increased production in helping conservation of forest resources;

(b) if so, the time by which a decision to this effect is expected;

(c) if not, the reasons therefor; and

(d) the break up of excise duty collected from this industry from 1995-96 onwards vis-a-vis the customs duty collected from the import of wood logs, fuel wood, wood chips etc. during 1996-97?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) The relevant data, which is necessary to examine the case for exemption from excise duty on 100% wood free particle and fibre boards, is being collected. After the data is received, the case for exemption will be examined and decision taken at the appropriate time.

(d) The information is not readily available. It is being collected.

Dankuni Coal Complex

570. SHRI DINESH CHANDRA YADAV: Will the Minister of COAL be pleased to state:

(a) whether Dankuni Coal Complex, a Coal India subsidiary is anticipated to suffer a loss of over Rs. 30 crores during 1996-97;

(b) if so, the reasons attributed for such a huge loss;

(c) its overall impact on the Coal India's losses and profits; and

(d) the measures taken by the Government to remove the impediments and to make the Dankuni Coal Complex economically viable?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) and (b) Dankuni Coal Complex (DCC), a Low Temperature Carbonisation (LTC) plant at Dankuni, West Bengal is presently under South Eastern Coalfields Ltd. (SECL), a subsidiary of Coal India Limited (CIL) is expected to suffer a loss of Rs. 31.26 crores (Provisional) during 1996-97. However, firm figure shall be known only after the annual account for the year is finalised and audited.

The installed capacity of the plant was largely unutilised mainly on account of Greater Calcutta Gas Supply Corporation (GCGSC), a linked consumer under Government of West Bengal, failing to take the committed quantity of gas. Another issue badly affecting the financial position of the plant is unwillingness of GCGSC to pay the remunerative price for the gas. GCGSC is paying presently @ Rs. 9.50 per therm as against @ Rs. 16.0 paid by M/s. Alloy Steel Plant, Durgapur.

(c) The loss incurred by DCC a unit of SECL, during 1996-97 will have an impact on the profits of SECL. SECL will have a profit of Rs. 564.54 crores (provisional) during 1996-97.

(d) The following measures are being taken to improve the economic viability of DCC:-

(i) Dialogue with the Govt. of Wet Bengal to improve the off-take of gas to GCGSC for improved capacity utilisation of the plant as well as to pursuade the GCGSC to pay remunerative price of

(ii) To produce value added chemicals like chloroxycenol, chlorophenol, etc.

CRB Mutual Fund

571. SHRI UTTAM SINGH PAWAR: Will the Minister of FINANCE be pleased to state:

(a) whether CRB Mutual Fund has been inspected at the behest of Securities and Exchange Board of India;

(b) if so, the outcome thereof;

(c) whether any irregularities have come to the notice of the Government;

(d) if so, the details thereof; and

(e) the action taken by the Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) According to SEBI, there have been two inspections of the CRB Mutual Fund, one in December, 1994 and another in February, 1997.

(b) Following the findings of the inspection conducted in December, 1994 and enquiry, SEBI directed CRB Mutual Fund not to launch schemes upto June 30, 1996. In adition the following actions were taken by SEBI:-

(i) CRB Mutual Fund was asked not to launch schemes till further order;

(ii) The custodian of the Mutual Fund has been directed not to dispose off any of the securities held in its custody on behalf of CRB Mutual Fund and submit inventories of the securities to SEBI;

(iii) SEBI moved the Hon'ble High Court of Mumbai to appoint an Administrator to take charge of the property and assets of CRB Mutual Fund and its schemes.

(c) and (d) According to SEBI irregularities brought out in the inspection reports of December 1994 and February, 1997 inter-alia include:

(i) Absence of arms length relationship among the Fund, the sponsor and its associates.

(ii) Notional borrowing by the fund in the form of an overdraft in violation of the Mutual Fund Regulations.

(iii) Failure to observe prudential investment norms.

(iv) Lending by the fund to CRB securities (an associate company) in violation of the Regulations.

(v) Transaction through CRB Stock broking Ltd. even before the latter was a member of the Bombay Stock Exchange.

(vi) Payment of brokerage fees for contracts on a "Principal to Principal" basis.

(vii) Failure to supervise the activities of the custodian.

(viii) Substantial investment in group companies.

(ix) In some cases, the assets acquired for the fund have not been transferred in the name of the Fund.

(x) There have been transactions within the group either for funding the group companies from whom the securities were purchased.

(xi) Failure of the fund to inform investors about the SEBI ban; and

(xii) Conscentration of broking business through CRB Stock Broking.

(e) The Securities and Exchange Board of India is the regulatory authority for Mutual Funds under the SEBI Act, 1992. The activities of Mutual Funds are governed by the SEBI (Mutual Funds) Regulations. SEBI takes appropriate action for any violation of the provision of the Regulations.

Restriction on Imports

572. SHRI G. VENKAT SWAMY: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government are negotiating the phase out of the quantitative restrictions on import with developed countries under the aegis of the World Trade Organisation;

(b) if so, the details thereof; and

(c) the follow up action taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) to (c) In accordance with the provisions of Article XVIII: B of the General Agreement of Tariffs and Trade (GATT) 1994 and the Understanding on the Balance of Payments Provisions of the GATT 1994, the World Trade Organisation's (WTO) Committee on Balance of Payments Restrictions met in December 1995 towards holding full consultations with India in order to review all restrictive import measures taken for balance of payments purposes. At these consultations it was agreed to resume the consultations in October 1996 and in the meanwhile India was invited to notify all restrictions maintained for balance of payments purposes soon after the announcement of the 1996-97 Export-Import Policy.

As per this decision, India notified the remaining restrictions maintained for balance of payments purposes to the WTO in July 1996 incorporating all amendments to the 1992-97 Export-Import Policy made upto 25 March 1996. The consultations which were scheduled to be held in October 1996 were postponed to 20-21 January 1997 at the request of the International Monetary Fund (IMF) which participates in these consultations in accordance with Article XV of the GATT 1994. At these consultations, the Committee took note of India's progressive removal of quantitative restrictions notified under Article XVIII: B. The IMF, in its report on India, indicated, inter alia, that India's current monetary resources were not inadequate and that there was no threat of a serious decline in the monetary reserves. After discussions in the Committee on the balance of payments position of India, the Committee agreed to resume consultations with India in June 1997, when India was requested to present to the Committee a plan for phasing out quantitative restrictions maintained on imports for safeguarding the balance of payments.